

Blue Hill Co-op Board Meeting
September 26, 2024, Blue Hill Co-op Café

Board Members Attending: Jo Barrett, Jenny Brillhart, Deborah Evans, Anne Gilchrist, Annie Silver, Jennifer Traub.

Absent Board Member(s): Cheryl Boulet, Aaron Dority, Tim Tunney.

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager).

Julia Klein, minute taker
Deborah Evans, meeting facilitator, timekeeper
Jennifer Traub, tasks and decisions

Meeting called to order at 6:05 PM.

Approval of Agenda

Anne moved to approve the agenda with an addition. Jo seconded the motion. The motion unanimously carried. Deborah asked for confirmation that all board members, Kevin, and Julia are included in the board email.

Tasks and Decisions Check-In

Local versus Maine product labeling project is ongoing.
Committee charters will be updated each January.
Jen will email the Board Handbook to the board.
Tim will work on the Board Budget for the October meeting.
Kevin will send the Operations Budget as an Excel document.

Approval of Minutes

Jenny moved to approve the August 22, 2024 BOD Minutes with edits. Anne seconded the motion. The motion unanimously carried. Anne noted that it was nice to read the minutes right after the meeting. Deborah commented that minutes from board meetings and Finance Committee meetings are excellent, and the board agreed. She went on to ask about storage and backup of the minutes since they are legal records of the board. Jen confirmed that board minutes are archived in Google Drive and sent to Kipp for storage and publishing on the Co-op website. Google Drive is backed up on the cloud.

Open Owner Time

No owners spoke.

Board Monitoring

C8 Governance Investment – Deborah presented her assessment that the board is in compliance with policy C8. Jo highlighted the need to formalize a training process for new board members. Anne recommended online training through Columinate. Jenny suggested an orientation to learn board procedure. Jo suggested assigning new director orientations to board members. Jen will check and update the Board Handbook. Deborah asked whether the Development Committee should manage the handbook update. Jen will begin the update and email the document to the board. C8 states that the annual Board Budget will be completed by October. Jen will ask Tim to produce a budget to be presented at the October meeting. **Jen moved that the board is in compliance with policy C8. Jo seconded the motion. The motion unanimously carried.**

GM Monitoring

B2 Planning and Budgeting– Kevin presented his report and the Operations Budget. Deborah referenced the Strategic Plan. Jenny will type notes from the Strategic Planning Committee meeting. Kevin explained the budget and noted that current growth is trending ahead of budget at 11%. Growth slowed after summer when people left the area. Kevin noted that he set the 2025 budget at 8% growth but may

drop it to 5%. Jen asked whether the drop in café sales impacts the overall drop through the store. Kevin affirmed this and noted that it is difficult to staff the Co-op after summer. He shared that he brought in a consultant and sent the café manager to a prepared-foods conference. He is reviewing new information with her to ensure she is on board with the plan. Jen asked about the impact of low café staff. Kevin responded that there may be some inefficiencies in management, but the café needs to focus on what they do well. Priorities are consistently stocking the grab-and-go case and offering soup daily. Kevin noted that the Café is serving a clean and delicious soup from a company who NCG works with rather than making it in house. Anne commented that focusing on grab-and-go items allows staff to produce food efficiently with fewer interactions with customers. Kevin went on to report that redemption of Preferred Shares is going well. **Jen moved to approve Kevin's report on B2 as in compliance. Jo seconded the motion. The motion unanimously carried.**

Strategic Plan – The board reviewed the Strategic Plan and its history and purpose of supporting the Ends. Kevin has already surpassed goals for 2027. The board commented that it is helpful to be able to see the plan as it evolves. Deborah encouraged the board to take time to digest this significant document. Discussion ensued in which the board expressed thanks to Anne, Annie, Jenny, Kevin and Jennifer Coolidge for their work, and appreciation to Kevin for accomplishing goals ahead of schedule.

Operations Budget – Kevin noted that the board will regularly review budget vs actual results as well as month to month, income statement and balance sheet. He shared that the store is ahead of the 2024 budget month to month with cost of goods, labor, profitability, and cash position in good shape. Kevin updates the budget monthly. Deborah requested that Kevin send the budget as an Excel document. Kevin will review the proposed 2025 Operations Budget and Board Budget in the Finance meeting.

Finance Committee Update – Jen took questions about the contents of the Finance Committee minutes. Discussion turned to a redemption request made before June 30th but that was not eligible for redemption at the time. The committee recommended honoring the request for redemption now that it is eligible, though most requests would now be considered in January. The board considered the guideline that requests be considered no less than two times per year and agreed that this request may be honored at this time. **Anne moved that the board authorize the redemption of an investment of \$25,000. Annie seconded the motion. The motion unanimously carried.** Kevin noted that he has begun redeeming investments without requests from a group that became eligible in August. Redemptions to date, excluding the \$25,000, are \$129,100 of the \$142,700 in A2 shares with 5-year terms. \$193,000 of A1 shares have been redeemed with \$24,900 still waiting to be requested. Two or three investors are deceased.

Wegner Financial Review – Kevin explained parameters for paying dividends and understanding the term net savings in light of an explanation from Wegner. Investment material refers to net saving as the requirement for legal payment of dividends. He noted that the term remains vague and can include net savings from operations, earnings before depreciation and taxes, a variation of net income, or a definition determined by the board. Based on 2022 and 2023 finances, Wegner recommended against the Co-op paying investment dividends based on low cash on hand. Tim, Cheryl, and the tax accountant agree with the recommendation. Dividends may be considered for 2024. Discussion ensued. Kevin explained the dividends and noted that most investors express glowing responses to the growth of the Co-op! **Jen moved on the behalf of the Finance Committee that the Co-op is not able to authorize the payment of 2023 investment dividends. Anne seconded the motion. The motion unanimously carried.**

Next Meeting Agenda:

D1 Unity of Control

B1 Financial Conditions, Q3

Board Budget, Tim

Meeting Adjourned: 7:18 PM

Due Date for the Board Packet: Items for the Board Packet will be due on Thursday, October 24, 2024.

Next Board Meeting: Thursday, October 24, 2024, 6:00 Blue Hill Co-op, Café.
Minutes submitted by Julia Klein